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United States Department of Agriculture

SERVICE AND REGULATORY ANNOUNCEMENTS NO. 92¹

(AGRICULTURAL ECONOMICS)

STANDARDS FOR COTTON CLASSIFICATION IN THE UNITED STATES AND ABROAD

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ESSENTIAL PROVISIONS OF THE UNITED STATES COTTON STANDARDS ACT AND REGULATIONS

Official cotton standards of the United States were first promulgated by the Secretary of Agriculture on December 15, 1914, under authority of the United States cotton futures act. On July 26, 1922, the Secretary signed an order revising the existing standards, effective August 1, 1923. The United States cotton standards act of March 4, 1923, which also became operative on August 1, 1923, made the standards established under the cotton futures act the official cotton standards for the purposes of the cotton standards act as well.

The most important provisions of the cotton standards act are the following:

(1) It is provided in substance that it shall be unlawful in or in connection with any transaction or shipment in interstate or foreign commerce, or in any publication of a price or quotation, or in any classification for the purposes of or in connection with any such transaction or shipment, for any person to indicate for any cotton a grade or other class which is of or within the official cotton standards of the United States then in effect, by a name, description, or designation not used in those standards; it being provided, however, that these prohibitions shall not prevent a transaction otherwise lawful by actual sample or on the basis of a private type which is

¹ Prepared by Chester L. Finch, supervisor of administration, United States cotton futures and cotton standards acts. This pamphlet is published to bring up to date and supplement the information given in Service and Regulatory Announcements (Agricultural Economics) No. 82.

used in good faith and not in evasion of or substitution for the standards.

(2) The owner or custodian of the cotton, or any person having a financial interest in it, is given the privilege of submitting such cotton or samples thereof to the United States Department of Agriculture for determination of the true classification. The final certificate of the department showing the classification of cotton so submitted is declared to be *prima facie* evidence in United States courts of the true classification of such cotton and binding upon Federal officers.

(3) The Secretary of Agriculture is authorized to examine and license cotton classers who, depending upon the character of the licenses which they hold, may issue certificates of the grade, staple, or other class of the cotton examined by them. Licenses are issued according to the applicant's qualifications and may authorize the grading or classification of cotton according to one or more of the official standards listed below:

(a) The official cotton standards of the United States for grades and colors of American upland cotton, known as the universal standards for American cotton.

(b) The official cotton standards of the United States for grades and colors of American Egyptian cotton.

(c) The official cotton standards of the United States for length of staple not over $1\frac{1}{8}$ inches.

(d) The official cotton standards of the United States for all lengths of staple.

Under this statute the cotton trade is not required to secure the classification or grading of cotton either by the Department of Agriculture or by licensed classers, but in any case trade members may voluntarily secure such service in conformity with the regulations which have been promulgated by the Secretary of Agriculture under the act.

Service and Regulatory Announcements (Agricultural Economics) No. 95 contain the Secretary's regulations, which provide for three distinct services to be rendered by the Department of Agriculture:

(1) The informal classification or comparison of samples, leading to the issuance of a Form A memorandum of classification or comparison; (2) the formal classification or comparison of agreed samples submitted by the parties involved in a dispute, leading to the issuance of a Form B certificate; and (3) the formal classification of bales of cotton, the authenticity of the samples from which must be established by Government supervision of storage and sampling. The classification in these cases is evidenced by a Form C certificate.

Form A memoranda do not have the weight of certificates and are not subject to review.

Form B certificates, when once reviewed in connection with an appeal from the classification or comparison as provided in the regulations, are final certificates within the meaning of the act so far as the parties to the dispute are concerned.

Form C certificates, when reviewed, are deemed final certificates within the meaning of the act. In the event of conflict between a Form B and a Form C certificate, the Form C certificate is, of course, final. Forms C may be exchanged for cotton class certificates issued under the United States cotton futures act in cases where

the owner desires to tender the cotton in settlement of a future contract.

If a review is desired of the classification of any cotton represented in a certificate issued by a licensed classer, the holder of the certificate may surrender it, together with the samples of the cotton, to a board of cotton examiners of the United States Department of Agriculture, and receive in its place a certificate signed by the chairman of the board. The board's certificate is subject to review by an appeal board of review examiners, provided a review would have been granted if the classification had been performed originally by a board of cotton examiners.

Original classification of cotton (except classification by licensed classers) is made by boards of cotton examiners which have already been established at New York, N. Y., New Orleans, La., and Houston, Tex., under the United States cotton futures act. Additional boards may subsequently be set up if the demand for this service requires their establishment.

Reviews and appeals under the United States cotton standards act will be entertained by the appeal board of review examiners in Washington, D. C. In cases where Form C certificates have been exchanged for cotton class certificates under the United States cotton futures act, reviews may be had as provided in the regulations under this latter act.

The regulations under the cotton standards act also provide that when an association or exchange located in a foreign country shall adopt the official cotton standards of the United States and shall establish them as the basis of all transactions and contracts for American upland cotton made and executed according to its rules, certain members or officials of such exchanges may be appointed as cotton examiners under the act, and as such they may function as boards of cotton examiners of the Department of Agriculture. In so far as the exchange has adopted the official cotton standards these foreign boards may pass upon the classification of cotton involved in a dispute between a party in the United States and a party without the United States to a contract made under the rules of the exchange, and in such disputes the determination and classification made by the foreign boards shall be final.

OFFICIAL COTTON STANDARDS OF THE UNITED STATES

The standards now in use are the following:

(1) Official cotton standards of the United States for grades and colors of American upland cotton, known as the Universal Standards for American Cotton.

(2) Official cotton standards of the United States for grades and colors of American Egyptian cotton.

(3) Official cotton standards of the United States for length of staple.

For convenience of reference, copies of the orders of the Secretary of Agriculture promulgating these various standards are reprinted below.

PUBLIC NOTICE ESTABLISHING OFFICIAL COTTON STANDARDS OF THE UNITED STATES FOR GRADES AND COLORS OF AMERICAN UPLAND COTTON

Pursuant to the authority vested in the Secretary of Agriculture by section 9 of the United States cotton futures act, approved August 11, 1916 (39 U. S.

Stat. L. p. 476; amended March 4, 1919, 40 Stat. L. p. 1351), and by section 6 of the United States cotton standards act (42 Stat. L. p. 1517), I. C. W. Pugsley, Acting Secretary of Agriculture, do hereby establish, promulgate, and give public notice of standards for grades and colors of cotton of varieties known as American upland, effective August 1, 1924, as hereinafter set forth. Said standards shall thereupon supersede and replace the standards for grades and colors of American cotton which were established by the Secretary on July 26, 1922, as effective August 1, 1923, the only changes, however, being in the grades and colors of No. 3 or Good Middling, No. 4 or Strict Middling, No. 5 or Middling, and No. 6 or Strict Low Middling.

Inasmuch as these standards have been agreed upon and accepted by all of the leading European cotton exchanges, they may be also termed and referred to as Universal Standards for American Cotton.

For the purposes of these standards:

GRADES

No. 1 (or Middling Fair).—No. 1 or Middling Fair shall be American upland cotton which in grade and color is within the range represented by a set of samples in the custody of the United States Department of Agriculture in the District of Columbia in a container marked "Original Official Cotton Standards of the United States, American upland, No. 1 or Middling Fair, effective August 1, 1923."

No. 2 (or Strict Good Middling).—No. 2 or Strict Good Middling shall be American upland cotton which in grade and color is within the range represented by a set of samples in the custody of the United States Department of Agriculture in the District of Columbia in a container marked "Original Official Cotton Standards of the United States, American upland, No. 2 or Strict Good Middling, effective August 1, 1923."

No. 3 (or Good Middling).—No. 3 or Good Middling shall be American upland cotton which in grade and color is within the range represented by a set of samples in the custody of the United States Department of Agriculture in the District of Columbia in a container marked "Original Official Cotton Standards of the United States, American upland, No. 3 or Good Middling, effective August 1, 1924."

No. 4 (or Strict Middling).—No. 4 or Strict Middling shall be American upland cotton which in grade and color is within the range represented by a set of samples in the custody of the United States Department of Agriculture in the District of Columbia in a container marked "Original Official Cotton Standards of the United States, American upland, No. 4 or Strict Middling, effective August 1, 1924."

No. 5 (or Middling).—No. 5 or Middling shall be American upland cotton which in grade and color is within the range represented by a set of samples in the custody of the United States Department of Agriculture in the District of Columbia in a container marked "Original Official Cotton Standards of the United States, American upland, No. 5 or Middling, effective August 1, 1924."

No. 6 (or Strict Low Middling).—No. 6 or Strict Low Middling shall be American upland cotton which in grade and color is within the range represented by a set of samples in the custody of the United States Department of Agriculture in the District of Columbia in a container marked "Original Official Cotton Standards of the United States, American upland, No. 6 or Strict Low Middling, effective August 1, 1924."

No. 7 (or Low Middling).—No. 7 or Low Middling shall be American upland cotton which in grade and color is within the range represented by a set of samples in the custody of the United States Department of Agriculture in the District of Columbia in a container marked "Original Official Cotton Standards of the United States, American upland, No. 7 or Low Middling, effective August 1, 1923."

No. 8 (or Strict Good Ordinary).—No. 8 or Strict Good Ordinary shall be American upland cotton which in grade and color is within the range represented by a set of samples in the custody of the United States Department of Agriculture in the District of Columbia in a container marked "Original Official Cotton Standards of the United States, American upland, No. 8 or Strict Good Ordinary, effective August 1, 1923."

No. 9 (or Good Ordinary).—No. 9 or Good Ordinary shall be American upland cotton which in grade and color is within the range represented by a set of samples in the custody of the United States Department of Agriculture in the District of Columbia in a container marked "Original Official Cotton

Standards of the United States, American upland, No. 9 or Good Ordinary, effective August 1, 1923."

YELLOW TINGED COTTON

No. 2 Tinged (or Strict Good Middling Yellow Tinged).—No. 2 Tinged or Strict Good Middling Yellow Tinged shall be American upland cotton which in grade is No. 2 or Strict Good Middling, but in tinge is between No. 2 or Strict Good Middling and No. 3 Tinged or Good Middling Yellow Tinged, effective August 1, 1923.

No. 3 Tinged (or Good Middling Yellow Tinged).—No. 3 Tinged or Good Middling Yellow Tinged shall be American upland cotton which in grade is No. 3 or Good Middling, but in color is within the range represented by a set of samples in the custody of the United States Department of Agriculture in the District of Columbia in a container marked "Original Official Cotton Standards of the United States, American upland, No. 3 Tinged or Good Middling Yellow Tinged, effective August 1, 1923."

No. 4 Tinged (or Strict Middling Yellow Tinged).—No. 4 Tinged or Strict Middling Yellow Tinged shall be American upland cotton which in grade is No. 4 or Strict Middling, but in color is within the range represented by a set of samples in the custody of the United States Department of Agriculture in the District of Columbia in a container marked "Original Official Cotton Standards of the United States, American upland, No. 4 Tinged or Strict Middling Yellow Tinged, effective August 1, 1923."

No. 5 Tinged (or Middling Yellow Tinged).—No. 5 Tinged or Middling Yellow Tinged shall be American upland cotton which in grade is No. 5 or Middling, but in color is within the range represented by a set of samples in the custody of the United States Department of Agriculture in the District of Columbia in a container marked "Original Official Cotton Standards of the United States, American upland, No. 5 Tinged or Middling Yellow Tinged, effective August 1, 1923."

No. 6 Tinged (or Strict Low Middling Yellow Tinged).—No. 6 Tinged or Strict Low Middling Yellow Tinged shall be American upland cotton which in grade is No. 6 or Strict Low Middling, but in color is within the range represented by a set of samples in the custody of the United States Department of Agriculture in the District of Columbia in a container marked "Original Official Cotton Standards of the United States, American upland, No. 6 Tinged or Strict Low Middling Yellow Tinged, effective August 1, 1923."

No. 7 Tinged (or Low Middling Yellow Tinged).—No. 7 Tinged or Low Middling Yellow Tinged shall be American upland cotton which in grade is No. 7 or Low Middling, but in color is within the range represented by a set of samples in the custody of the United States Department of Agriculture in the District of Columbia in a container marked "Original Official Cotton Standards of the United States, American upland, No. 7 Tinged or Low Middling Yellow Tinged, effective August 1, 1923."

YELLOW STAINED COTTON

No. 3 Stained (or Good Middling Yellow Stained).—No. 3 Stained or Good Middling Yellow Stained shall be American upland cotton which in grade is No. 3 or Good Middling, but in color is within the range represented by a set of samples in the custody of the United States Department of Agriculture in the District of Columbia in a container marked "Original Official Cotton Standards of the United States, American upland, No. 3 Stained or Good Middling Yellow Stained, effective August 1, 1923."

No. 4 Stained (or Strict Middling Yellow Stained).—No. 4 Stained or Strict Middling Yellow Stained shall be American upland cotton which in grade is No. 4 or Strict Middling, but in color is within the range represented by a set of samples in the custody of the United States Department of Agriculture in the District of Columbia in a container marked "Original Official Cotton Standards of the United States, American upland, No. 4 Stained or Strict Middling Yellow Stained, effective August 1, 1923."

No. 5 Stained (or Middling Yellow Stained).—No. 5 Stained or Middling Yellow Stained shall be American upland cotton which in grade is No. 5 or Middling, but in color is within the range represented by a set of samples in the custody of the United States Department of Agriculture in the District of Columbia in a container marked "Original Official Cotton Standards of the United States, American upland, No. 5 Stained or Middling Yellow Stained, effective August 1, 1923."

BLUE STAINED COTTON

No. 3 Blue Stained (or Good Middling Blue Stained).—No. 3 Blue Stained or Good Middling Blue Stained shall be American upland cotton which in grade is No. 3 or Good Middling, but in color is within the range represented by a set of samples in the custody of the United States Department of Agriculture in the District of Columbia in a container marked "Original Official Cotton Standards of the United States, American upland, No. 3 Blue Stained or Good Middling Blue Stained, effective August 1, 1923."

No. 4 Blue Stained (or Strict Middling Blue Stained).—No. 4 Blue Stained or Strict Middling Blue Stained shall be American upland cotton which in grade is No. 4 or Strict Middling, but in color is within the range represented by a set of samples in the custody of the United States Department of Agriculture in the District of Columbia in a container marked "Original Official Cotton Standards of the United States, American upland, No. 4 Blue Stained or Strict Middling Blue Stained, effective August 1, 1923."

No. 5 Blue Stained (or Middling Blue Stained).—No. 5 Blue Stained or Middling Blue Stained shall be American upland cotton which in grade is No. 5 or Middling, but in color is within the range represented by a set of samples in the custody of the United States Department of Agriculture in the District of Columbia in a container marked "Original Official Cotton Standards of the United States, American upland, No. 5 Blue Stained or Middling Blue Stained, effective August 1, 1923."

SPOTTED COTTON

No. 3 Spotted (or Good Middling Spotted).—No. 3 Spotted or Good Middling Spotted shall be American upland cotton which in grade is No. 3 or Good Middling, but in spot or tinge or both is between No. 3 or Good Middling and No. 3 Tinged or Good Middling Yellow Tinged, effective August 1, 1923.

No. 4 Spotted (or Strict Middling Spotted).—No. 4 Spotted or Strict Middling Spotted shall be American upland cotton which in grade is No. 4 or Strict Middling, but in spot or tinge or both is between No. 4 or Strict Middling and No. 4 Tinged or Strict Middling Yellow Tinged, effective August 1, 1923.

No. 5 Spotted (or Middling Spotted).—No. 5 Spotted or Middling Spotted shall be American upland cotton which in grade is No. 5 or Middling, but in spot or tinge or both is between No. 5 or Middling and No. 5 Tinged or Middling Yellow Tinged, effective August 1, 1923.

No. 6 Spotted (or Strict Low Middling Spotted).—No. 6 Spotted or Strict Low Middling Spotted shall be American upland cotton which in grade is No. 6 or Strict Low Middling, but which in spot or tinge or both is between No. 6 or Strict Low Middling and No. 6 Tinged or Strict Low Middling Yellow Tinged, effective August 1, 1923.

No. 7 Spotted (or Low Middling Spotted).—No. 7 Spotted or Low Middling Spotted shall be American upland cotton which in grade is No. 7 or Low Middling, but which in spot or tinge or both is between No. 7 or Low Middling and No. 7 Tinged or Low Middling Yellow Tinged, effective August 1, 1923.

LIGHT STAINED COTTON

No. 3 Light Stained (or Good Middling Light Yellow Stained).—No. 3 Light Stained or Good Middling Light Yellow Stained shall be American upland cotton which in grade is No. 3 or Good Middling, but in yellow stain is between No. 3 Tinged or Good Middling Yellow Tinged and No. 3 Stained or Good Middling Yellow Stained, effective August 1, 1923.

No. 4 Light Stained (or Strict Middling Light Yellow Stained).—No. 4 Light Stained or Strict Middling Light Yellow Stained shall be American upland cotton which in grade is No. 4 or Strict Middling, but in yellow stain is between No. 4 Tinged or Strict Middling Yellow Tinged and No. 4 Stained or Strict Middling Yellow Stained, effective August 1, 1923.

No. 5 Light Stained (or Middling Light Yellow Stained).—No. 5 Light Stained or Middling Light Yellow Stained shall be American upland cotton which in grade is No. 5 or Middling, but in yellow stain is between No. 5 Tinged or Middling Yellow Tinged and No. 5 Stained or Middling Yellow Stained, effective August 1, 1923.

GRAY COTTON

No. 3 Gray (or Good Middling Gray).—No. 3 Gray or Good Middling Gray shall be American upland cotton which in grade is No. 3 or Good Middling but

in gray or bluish color is between No. 3 or Good Middling and No. 3 Blue Stained or Good Middling Blue Stained, effective August 1, 1923.

No. 4 Gray (or Strict Middling Gray).—No. 4 Gray or Strict Middling Gray shall be American upland cotton which in grade is No. 4 or Strict Middling, but in gray or bluish color is between No. 4 or Strict Middling and No. 4 Blue Stained or Strict Middling Blue Stained, effective August 1, 1923.

No. 5 Gray (or Middling Gray).—No. 5 Gray or Middling Gray shall be American upland cotton which in grade is No. 5 or Middling, but in gray or bluish color is between No. 5 or Middling and No. 5 Blue Stained or Middling Blue Stained, effective August 1, 1923.

GENERAL

American upland cotton which in grade and color is within the range of the standards established by this notice, but which contains a combination of grade and color not within any one of the definitions herein set out, shall be designated according to the definition which is equivalent to, or if there be no exact equivalent is next below the average of all the factors that determine the grade and color of the cotton.

In testimony whereof I have hereunto set my hand and caused the official seal of the Department of Agriculture to be affixed, in the city of Washington, this 30th day of July, 1923.

[SEAL.]

C. W. PUGSLEY,
Acting Secretary of Agriculture.

Figure 1 shows in graphic form the plan of standardization given in the preceding order.

FIG. 1.—*Grades and colors of the universal standards for American upland cotton*

Blue Stained	Gray	Standards for grades of up- land cotton White	Spotted	Yellow Tinged	Light Stained	Yellow Stained
		1 or M. F. 2 or S. G. M.		2 T.		
3 B.	3 G.	3 or G. M.	3 Sp.	3 T.	3 L. S.	3 S.
4 B.	4 G.	4 or S. M.	4 Sp.	4 T.	4 L. S.	4 S.
5 B.	5 G.	5 or M.	5 Sp.	5 T.	5 L. S.	5 S.
		6 or S. L. M.	6 Sp.	6 T.		
		7 or L. M.	7 Sp.	7 T.		
		8 or S. G. O.				
		9 or G. O.				

Symbols in heavy type denote grades and colors for which practical forms of the official cotton standards are prepared. For the grades indicated by symbols in italics no practical forms will be furnished. Gray cotton is between the White and the Blue Stained in color, Spotted between the White and the Yellow Tinged, and Light Stained between Yellow Tinged and Yellow Stained.

The grades shown above the horizontal lines are deliverable on future contracts made in accordance with section 5 of the United States cotton futures act. Those below the line are untenderable on such contracts.

PUBLIC NOTICE ESTABLISHING OFFICIAL COTTON STANDARDS OF THE UNITED STATES FOR GRADES AND COLORS OF AMERICAN EGYPTIAN COTTON

DEPARTMENT OF AGRICULTURE,
Washington.

Pursuant to the authority vested in the Secretary of Agriculture by section 9 of the United States cotton futures act, approved August 11, 1916 (39 U. S.

Stat. L., p. 476; amended March 4, 1919, 40 Stat. L. p. 1351), and by section 6 of the United States cotton standards act (42 Stat. L. p. 1517), I, Henry C. Wallace, Secretary of Agriculture, do hereby establish, promulgate, and give public notice of standards for grades and colors of cotton of varieties known as American Egyptian, effective August 1, 1925, as hereinafter set forth. Said standards shall thereupon supersede and replace the present standards for grades and colors of American Egyptian cotton which were established by the Secretary of Agriculture on July 26, 1922. The standards hereby established are the same standards that were established for American Egyptian cotton by the Secretary of Agriculture on October 25, 1918, and that were replaced by the standards established for American Egyptian cotton by the Secretary of Agriculture on July 26, 1922.

For the purposes of these standards:

SECTION 1. *Grade No. 1.*—Grade No. 1 shall be American Egyptian cotton which in grade and color is within the range represented by a set of samples in the custody of the United States Department of Agriculture in the District of Columbia in a container marked "Original Official Cotton Standards of the United States, American Egyptian, Grade No. 1, effective August 1, 1925."

SEC. 2. *Grade No. 2.*—Grade No. 2 shall be American Egyptian cotton which in grade and color is within the range represented by a set of samples in the custody of the United States Department of Agriculture in the District of Columbia in a container marked "Original Official Cotton Standards of the United States, American Egyptian, Grade No. 2, effective August 1, 1925."

SEC. 3. *Grade No. 3.*—Grade No. 3 shall be American Egyptian cotton which in grade and color is within the range represented by a set of samples in the custody of the United States Department of Agriculture in the District of Columbia in a container marked "Original Official Cotton Standards of the United States, American Egyptian, Grade No. 3, effective August 1, 1925."

SEC. 4. *Grade No. 4.*—Grade No. 4 shall be American Egyptian cotton which in grade and color is within the range represented by a set of samples in the custody of the United States Department of Agriculture in the District of Columbia in a container marked "Original Official Cotton Standards of the United States, American Egyptian, Grade No. 4, effective August 1, 1925."

SEC. 5. *Grade No. 5.*—Grade No. 5 shall be American Egyptian cotton which in grade and color is within the range represented by a set of samples in the custody of the United States Department of Agriculture in the District of Columbia in a container marked "Original Official Cotton Standards of the United States, American Egyptian, Grade No. 5, effective August 1, 1925."

SEC. 6. *Intermediate Grades.*—American Egyptian cotton which in grade and/or color is between any two adjoining grades described in sections 1 to 5, inclusive, of this order shall be designated by the word "Grade" and the grade number of the higher of such two grades followed by the fraction " $\frac{1}{2}$."

SEC. 7. *Below Grade No. 5.*—American Egyptian cotton which in grade and/or color is inferior to Grade No. 5 shall be designated "Below Grade No. 5."

SEC. 8. *Extraneous matter.*—American Egyptian cotton containing cracked seeds, seed kernels, sand, or other extraneous matter shall be graded as if it contained an equivalent of leaf and trash as represented in the respective grades described in sections 1 to 7, inclusive, of this order.

SEC. 9. *Repacked.*—American Egyptian cotton that is composed of factors', brokers', or other samples, or of loose or miscellaneous lots, collected and rebaled, shall, in addition to its grade, be designated "Repacked."

SEC. 10. *False packed.*—American Egyptian cotton in a bale (1) containing substances entirely foreign to cotton; (2) containing damaged cotton in the interior, with or without any indication of such damage upon the exterior; (3) composed of good cotton upon the exterior and exceedingly inferior cotton in the interior in such manner as not to be detected by customary examination, that is, a plated bale; or (4) containing pickings or linters worked into the bale, shall, in addition to its grade, be designated "False Packed."

SEC. 11. *Mixed packed.*—American Egyptian cotton in a bale which shows a difference of more than two grades between samples drawn from the heads and the top and bottom sides of the bale, or which shows a difference in color between such samples, exceeding two grades, shall, in addition to its lowest grade, be designated "Mixed Packed."

SEC. 12. *Water packed.*—American Egyptian cotton in a bale that has been penetrated by water during the baling process, causing damage to the fibers, or a bale that through exposure to the weather, or by other means, while ap-

parently dry on the exterior, has been damaged by water in the interior, shall, in addition to its grade, be designated "Water Packed."

In testimony whereof I have hereunto set my hand and caused the official seal of the Department of Agriculture to be affixed, in the city of Washington, this 26th day of July, 1924.

HENRY C. WALLACE,
Secretary of Agriculture.

The official standards for American Egyptian cotton were first established by order of the Secretary of Agriculture on October 25, 1918. These standards contained a certain amount of reddish color caused by anthracnose, a fungus disease which attacks the growing cotton plant in Arizona. As it appeared that this reddish color had been somewhat reduced, the Secretary, by order of July 26, 1922, effective August 1, 1923, promulgated revised standards to represent the improved condition. Later on it became evident that this improvement was so slight that the new standards were not in keeping with actual crop conditions, and the producers of American Egyptian cotton in Arizona, as well as shippers and spinners, requested that the original grades be reestablished. Their request was supported by a vote of more than two-thirds of the holders of the practical forms of the standards. Consequently, on July 26, 1924, the Secretary of Agriculture issued the foregoing order, and the original standards for American Egyptian cotton as they were established in 1918 again became effective on August 1, 1925.

LENGTHS OF STAPLE

DEPARTMENT OF AGRICULTURE,
Washington.

Pursuant to the authority vested in the Secretary of Agriculture by section 9 of the United States cotton futures act, approved August 11, 1916, 39 United States Statutes at Large, page 476, I, David F. Houston, Secretary of Agriculture, do hereby establish, promulgate, and give public notice of, standards for length of staple of cotton, effective October 25, 1918, as follows:

OFFICIAL COTTON STANDARDS OF THE UNITED STATES FOR LENGTH OF STAPLE

For the purposes of these standards:

SECTION 1. The length of staple of any cotton shall be the normal length by measurement, without regard to quality or value, of a typical portion of its fibers under a relative humidity of the atmosphere of 65 per cent and a temperature of 70° F.

SEC. 2. The length of staple of any cotton shall be designated by that one of the following terms which expresses its measurement in inches or fractions of an inch in accordance with section 1 of this order:

Below $\frac{3}{4}$; $\frac{3}{4}$; $\frac{13}{16}$; $\frac{7}{8}$; $\frac{15}{16}$; 1; $1\frac{1}{32}$; $1\frac{1}{16}$; $1\frac{3}{32}$; $1\frac{1}{8}$; $1\frac{5}{16}$; $1\frac{7}{16}$; $1\frac{1}{2}$; $1\frac{9}{16}$; $1\frac{11}{16}$; $1\frac{13}{16}$; $1\frac{15}{16}$; $1\frac{1}{2}$; and upward in like manner in gradations of thirty-seconds, disregarding any fraction less than a thirty-second.

SEC. 3. The lengths of staple designated as $\frac{3}{4}$, $\frac{7}{8}$, 1, $1\frac{1}{8}$, $1\frac{1}{4}$, $1\frac{3}{8}$, $1\frac{1}{2}$, $1\frac{5}{8}$, and $1\frac{3}{4}$ inches, respectively, are each represented by a sample in the custody of the United States Department of Agriculture in a container marked "Original Official Cotton Standards of the United States Length of Staple" followed by the appropriate designation of such length of staple.

SEC. 4. Cotton which is more than three-fourths of an inch in length of staple, but is not exactly one of the measurements specified in section 2 of this order, shall be designated by that one of such measurements which comes nearest under its true measurement.

SEC. 5. Whenever the length of staple of cotton taken from one part of a bale is different from that taken from another part of the same bale, the length of staple of the cotton in such bale shall be that of the part which is the shorter.



In testimony whereof I have hereunto set my hand and caused the official seal of the Department of Agriculture to be affixed, in the District of Columbia, this 25th day of October, 1918.

D. F. HOUSTON,
Secretary.

NOTE.—Since the promulgation of the foregoing order Section 3 has been amended to include the lengths $\frac{1}{8}$, $1\frac{1}{8}$, $1\frac{1}{4}$, and $1\frac{1}{2}$ inches. On July 31, 1925, Secretary William M. Jardine signed an order further amending Section 3 effective August 1, 1926, to read:

"SEC. 3. The lengths of staple designated as $\frac{1}{8}$, $\frac{1}{4}$, $\frac{1}{2}$, 1, $1\frac{1}{8}$, $1\frac{1}{4}$, $1\frac{1}{2}$, $1\frac{3}{4}$, 1 $\frac{7}{8}$, $1\frac{1}{2}$, $1\frac{3}{4}$, $1\frac{1}{2}$, $1\frac{3}{4}$, $1\frac{1}{2}$, $1\frac{3}{4}$, and $1\frac{1}{2}$ inches, respectively, are each represented by a sample of American Upland cotton in the custody of the United States Department of Agriculture, in a container marked 'Original Representation of Official Cotton Standards of the United States (American Upland) Length of Staple,' followed by the appropriate designation of such length of staple; and the lengths of staple designated as $1\frac{1}{2}$, $1\frac{3}{4}$, $1\frac{1}{2}$, and $1\frac{3}{4}$ inches are each represented by a sample in the custody of the United States Department of Agriculture, in a container marked 'Original Representation of Official Cotton Standards of the United States (American Egyptian) Length of Staple,' followed by the appropriate designation of such length of staple."

Official standards for Sea Island cotton were established by the Secretary of Agriculture on October 25, 1918. They were discontinued by Secretary's order dated January 22, 1925, for the reason that the crop of Sea Island cotton had become so small as not to justify special provision for it in the official standards.

PUBLIC NOTICE ESTABLISHING THE GRADES CONSTITUTING THE OFFICIAL STANDARDS OF THE UNITED STATES FOR AMERICAN COTTON LINTERS

Pursuant to the authority conferred upon me by section 6 of the United States cotton standards act, approved March 4, 1923 (42 Stat. L., p. 1517), I, R. W. Dunlap, Acting Secretary of Agriculture, do hereby establish, promulgate, and give public notice of standard grades for American cotton linters, to become effective August 1, 1926, as hereinafter set forth.

SECTION 1. *Grade 1.*—Grade 1 shall be American cotton linters which in grade is within the range represented by a set of samples in the custody of the United States Department of Agriculture in a container marked "Original Official Standard of the United States for American Cotton Linters, Grade 1."

SEC. 2. *Grade 2.*—Grade 2 shall be American cotton linters which in grade is within the range represented by a set of samples in the custody of the United States Department of Agriculture in a container marked "Original Official Standard of the United States for American Cotton Linters, Grade 2."

SEC. 3. *Grade 3.*—Grade 3 shall be American cotton linters which in grade is within the range represented by a set of samples in the custody of the United States Department of Agriculture in a container marked "Original Official Standard of the United States for American Cotton Linters, Grade 3."

SEC. 4. *Grade 4.*—Grade 4 shall be American cotton linters which in grade is within the range represented by a set of samples in the custody of the United States Department of Agriculture in a container marked "Original Official Standard of the United States for American Cotton Linters, Grade 4."

SEC. 5. *Grade 5.*—Grade 5 shall be American cotton linters which in grade is within the range represented by a set of samples in the custody of the United States Department of Agriculture in a container marked "Original Official Standard of the United States for American Cotton Linters, Grade 5."

SEC. 6. *Grade 6.*—Grade 6 shall be American cotton linters which in grade is within the range represented by a set of samples in the custody of the United States Department of Agriculture in a container marked "Original Official Standard of the United States for American Cotton Linters, Grade 6."

SEC. 7. *Grade 7.*—Grade 7 shall be American cotton linters which in grade is within the range represented by a set of samples in the custody of the United

States Department of Agriculture in a container marked "Original Official Standard of the United States for American Cotton Linters, Grade 7."

SEC. 8. *Hull Fiber*.—American cotton linters the fiber of which is below that shown in Grade 7 herein established shall be designated as "Hull Fiber."

SEC. 9. *Compound Grades*.—Bales of American cotton linters which in grade show a variation equal to that shown in any two adjacent grades of those described in sections 1 to 7, inclusive, of this order shall be designated by the compound name of each of such two adjacent grades.

SEC. 10. *Mixed Packed*.—Bales of American cotton linters which in grade show a variation greater than that shown in any two adjacent grades of those described in sections 1 to 7, inclusive, of this order shall be designated as "Mixed Packed."

SEC. 11. *Extraneous Matter*.—American cotton linters that contain more foreign matter than is represented in the grades herein established shall be designated as "Off Grade."

In testimony whereof I have hereunto set my hand and caused the official seal of the Department of Agriculture to be affixed in the city of Washington, D. C., this 7th day of July, 1925.

R. W. DUNLAP,

Acting Secretary of Agriculture.

It will be noted that under the foregoing order, which was signed by the Acting Secretary of Agriculture on July 7, 1925, the grades for American cotton linters will not become effective until August 1, 1926.

DISTRIBUTION OF COPIES OF THE OFFICIAL COTTON STANDARDS

Practical forms or copies of the official cotton standards now in effect may be purchased from the Department of Agriculture. The practical forms of the standards for grade and color are sold at the rate of \$5 for each individual grade and the staple types at the rate of \$1 for each staple length. These charges apply to domestic shipments, which are made by express, collect.

A full set of the standards for the nine white grades crated for domestic shipment weighs approximately 90 pounds, and a set of the 11 boxes of the standards for color about 110 pounds. The shipping weight of the staple standards is approximately $1\frac{1}{4}$ pounds each.

For shipments to points outside the continental United States practical forms of the standards for grade and color are sold at \$6.25 for each individual grade and the staple types at \$1.25 for each length. These latter charges include transportation to any foreign destination.

Applications for the practical forms must be made on forms furnished for the purpose by the Bureau of Agricultural Economics and accompanied by a check, draft, or money order, made payable to the "Disbursing clerk, Department of Agriculture," for the full amount of the order. Blank application forms may be obtained from the bureau at Washington or from any of the following branch offices:

New York City, 1501 Cotton Exchange Building.

New Orleans, La., 701 Cotton Exchange Building.

Houston, Tex., 402 Westheimer Building.

Galveston, Tex., Room 1, Cotton Exchange Building.

Atlanta, Ga., 602 Commercial Exchange Building.

Memphis, Tenn., 506 Cotton Exchange Building.

Charlotte, N. C., 21 East Fourth Street.

London, England, United States Agricultural Commissioner,
American Embassy.

Berlin, Germany, United States Agricultural Commissioner,
American Embassy.

All applications and remittances should be sent to the Bureau of Agricultural Economics, United States Department of Agriculture, Washington, D. C., where they will be placed on file and filed in the order of their receipt.

AMERICAN COTTON IN EXPORT TRADE—FORMAL ACTION OF THE EUROPEAN COTTON EXCHANGES IN ADOPTING OFFICIAL COTTON STANDARDS OF THE UNITED STATES FOR GRADES AND COLORS OF AMERICAN UPLAND COTTON AS UNIVERSAL STANDARDS

The official cotton standards of the United States for grades and colors of American upland cotton were adopted by the leading cotton exchanges of Europe during the summer and fall of 1923, and an agreement was entered into between the United States Department of Agriculture and the European exchanges to facilitate the use of the standards in foreign commerce. This action followed a series of conferences in Washington between representatives of the United States Department of Agriculture and of the foreign exchanges. The European parties to the agreement were the following:

Liverpool Cotton Association (Ltd.).
Manchester Cotton Association (Ltd.).
Syndicat du Commerce des Cotons au Havre.
Bremer Baumwollbörse.
Associazione Cotoniera Italiana.
Association Cotonniere de Belgique.
Centro Algodonero de Barcelona.
Vereeniging voor den Katoenhandel te Rotterdam.
Federation of Master Cotton Spinners' Associations (Ltd.), of England.

The Secretary's order of July 30, 1923 (p. 3), promulgating the revised standards, recited that since these standards had been agreed upon and accepted by all of the leading European cotton exchanges, they might be termed and referred to as Universal Standards for American Cotton.

The agreement between the Department of Agriculture and the European exchanges or associations provided among other things:

(1) That the associations would make the universal standards the basis of all their contracts in which grades are specified for the purchase and sale of American cotton.

(2) That the original standards were to be kept by the Department of Agriculture at Washington, and that no practical forms or copies of the standards would be used except those prepared by the department.

(3) That during the time the agreement should remain in effect the Department of Agriculture would make no change or revision of the standards unless such change or revision had been considered in a meeting which the associations had been given opportunity to attend. It was provided that at such meeting the voting power as represented by the total of 100 votes should be distributed as follows: 50 votes would be cast by the representatives of the associations, according to such apportionment as they themselves agreed upon, and 50 votes would be cast by the United States.

(4) That upon a written request for a change or revision of the standards, filed by an association or group of associations representing not less than 15 votes, the Department of Agriculture would notify the other associations and call a meeting to consider the proposed changes; and when at such meeting any such change received the approval of not less than 75 votes, the department agreed to make such change or revision, effective not less than 12 months thereafter, and to give notice thereof to all the associations.

(5) That the Department of Agriculture would appoint from time to time the members of the committees of the respective associations having final jurisdiction in the matter of appeals as cotton examiners, who might be constituted as boards of cotton examiners; such boards would be authorized to determine by a comparison with the universal standards or with types or other samples the classification of any cotton, involved in a dispute, which had been sold on a contract made subject to the by-laws and rules of the particular association, and to issue certificates showing such determinations, which determinations the department would provide by regulation should be final.

(6) That the agreement should continue in effect until terminated by the parties, after due notice. Any party wishing to withdraw from the agreement might do so on the 1st day of August of any year, by giving six months' prior notice in writing to the other parties, but such withdrawal would terminate the contract only with respect to the party giving notice and would in no way affect the agreement as to the remaining parties.

A year later, 1924, an agreement supplementary to the foregoing was entered into between the United States Department of Agriculture and the European exchanges or associations. This supplemental agreement recited that it was recognized that the department had invoked the best means known for the storage and preservation of the original and universal standards, but that the physical appearance of the original samples constituting the universal standards might change in storage in spite of the greatest care and the most favorable conditions under which they might be stored, and that it is imperative to take this into account in the preparation of copies of the original standards so that, in so far as possible, such copies may be faithful representations of the original universal standards as and when they were established.

It being the purpose of the department and the associations to establish and maintain confidence in the integrity, comparability and uniformity of copies of the original universal standards, the supplemental agreement made provision for a meeting in Washington each year, beginning on the second Monday in March, the first such meeting to be held in 1925. It was provided that at such meetings each association might be represented by one or two experts in the classification of American upland cotton, and the United States was to be represented by as many experts as there were experts present representing the European associations who had signed the agreement. Each association was to have one vote and the United States a number of votes equal to the total number cast by the associations, and three-fourths of all the votes cast was to be required for any action.

The sole purpose of the annual meeting provided for in the supplementary agreement was the examination and approval of 40 or

more sets of copies of the original universal standards for the use of the United States and the associations during the year beginning on August 1 next following each meeting. The tendency of the samples representing the original universal standards to change in physical appearance was to be taken into account in examining and approving the copies, and it was expressly provided that such copies were not to depart from the original universal standards as and when they were established. Approval of the various sets was to be evidenced by a formal certificate signed by all of the experts present. Special provision was made for the protection, storage, and preservation of the copies furnished the associations as well as those retained by the Department of Agriculture in Washington.

The first meeting under the supplemental agreement was held in Washington in March, 1925, and was attended by representatives of the various European associations.

The action of the Department of Agriculture in entering into agreements with the European associations was sustained by the Solicitor of the Department and later by the Acting Attorney General of the United States, who went fully into the matter in a formal opinion dated May 11, 1925. The views of the Acting Attorney General were, in the main, as follows:

The regulations promulgated by the Secretary of Agriculture under the cotton standards act are comprehensive and designed to effectuate the purpose and intent of the act, and such regulations have not gone beyond the scope of the statute. It is a matter of common knowledge that a large amount of American cotton is sold abroad annually and that in the past the cotton exchanges in the several European countries have employed different methods and used different standards for grading cotton. This diversity of methods and standards placed the American purchaser for foreign export at a disadvantage and led to disputes and controversy—evils sought to be limited by the cotton standards act.

Of course, no one will contend that the penal provisions of the cotton standards act apply to foreign cotton transactions nor that the other provisions of the act are compulsory upon the foreign exchanges. The provisions of the act seeking to standardize the classification of cotton can be put into effect in foreign countries only by agreements entered into by the Secretary of Agriculture with the cotton exchanges of those countries.

The Secretary of Agriculture has consequently entered into agreements with certain European cotton exchanges or associations by which the Secretary agrees to furnish practical forms or copies of the official cotton standards and the associations agree to use such copies for the purpose of classifying American cotton as to grade and color. In order that certificates of classification as to grade and color may have weight with those persons seeking classification of cotton, it is provided that the Secretary shall appoint certain members of each cotton association as cotton examiners, with authority to determine by comparison with the standard samples furnished by the Secretary the classification as to grade and color of any cotton involved in dispute or controversy.

There is no inhibition in the act itself in any way restricting the Secretary from appointing such persons as cotton examiners or by

agreement extending the provisions of the cotton standards act, in regard to classifying cotton as to grade and color, to foreign countries. It must be admitted that it will be beneficial to American cotton exporters to have the same standards of classification in use in the foreign markets that are used in this country. As the cotton standards act is remedial and seeks to "establish and promote the use of the official cotton standards of the United States in interstate and foreign commerce," the establishment of such standards in foreign countries is merely carrying out the evident purpose of the act.

Congress has not attempted to provide the details by which the purpose of the act shall be effectuated. It has left these details to the Secretary of Agriculture by authorizing him to promulgate such regulations as he shall find to be necessary. Exercising the discretionary power conferred upon him by the act, the Secretary has promulgated regulations not only as to the standards of cotton classification within the United States but has attempted by agreements with foreign associations to extend such standardization to foreign countries in order that the same standards as to classification of American cotton shall exist in the principal foreign markets as exist in the United States, thus promoting the real purpose of the act. The courts hold that rules and regulations made under express or implied statutory authority by an officer charged with the duty of administering the statute are valid if adapted to fulfill the object of the statute and give effect to the intent of the legislature. The regulations of the Secretary of Agriculture under the cotton standards act are not inconsistent with this rule.

Moreover, the acts of the Secretary of Agriculture in endeavoring to extend the standardization of cotton classification as to grade and color to foreign countries has, since the promulgation of the regulations under the act and since the agreement in question, been recognized by Congress in making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1926. The appropriation act makes provision specifically to enable the Secretary of Agriculture to carry into effect the provisions of the United States cotton futures act and the United States cotton standards act, "including such means as may be necessary for effectuating agreements heretofore or hereafter made with cotton associations, cotton exchanges, and other cotton organizations in foreign countries for the adoption, use, and observance of the universal standards of cotton classification, for the arbitration or settlement of disputes with respect thereto, and for the preparation, distribution, inspection, and protection of the practical forms or copies thereof under such agreements."

By appropriating the money necessary to carry out the agreements heretofore or hereafter made by the Secretary of Agriculture with foreign cotton associations, Congress has expressly recognized and approved the Secretary's acts in this respect. In conclusion the Acting Attorney General said:

Answering your specific question, therefore, I am of the opinion that you are authorized to appoint members of the appeal boards of foreign cotton associations, not citizens of the United States, officers of the Department of Agriculture to determine the classification of cotton and issue certificates of their determination as to such classification, and to make the certificates issued by

such boards final certificates of the Department of Agriculture as provided by Regulation 15 of regulations designated "Service and Regulatory Announcements No. 80," effective August 1, 1923.²

During the meeting in Washington in March, 1925, it was decided that a second meeting would be held in London in May following, at which various matters of mutual interest to the department and the associations with respect to the use of the universal standards could be discussed, including a few proposed changes in the original and supplemental agreements. The London meeting convened on May 20, 1925, at the American Embassy, under the chairmanship of Dr. Henry C. Taylor, Chief of the Bureau of Agricultural Economics of the United States Department of Agriculture. Other American representatives were H. C. Slade and William I. Holt, cotton specialists of the Department of Agriculture; Edward A. Foley, agricultural commissioner at London; and K. Tidemann, Fred Cockrell, and R. F. Irby, of the American Cotton Shippers' Association.

Representatives from the European associations were present, as follows:

The Liverpool Cotton Association (Ltd.):

Mr. P. R. England, president.
Mr. A. A. Paton, vice president.
Mr. J. Grierson Clayton.
Mr. J. H. Clegg.
Mr. A. C. Nickson, secretary.

The Manchester Cotton Association, (Ltd.):

Mr. Richard Brooks, president.
Mr. Wm. Heaps, J. P., vice president.
Mr. Fred Tomlinson.
Mr. Jesse Thorpe.
Mr. H. Robinson, secretary.

Syndicat du Commerce des Cotons au Havre:

Mr. R. Kaiser.
Mr. S. Palle.
Mr. Pierre du Pasquier.

Bremer Baumwollborse:

Mr. Heinrich Westerschulte.
Mr. Eduard Mueller.
Mr. Emil Schier.

Associazione Cotoniera Italiana:

Mr. Rodolfo Kronauer.

Marché de Coton à Gand:

Mr. Robert P. Pflieger.

Centro Algodonero de Barcelona:

Mr. Jose A. Gomez, president.
Mr. Pedro Marques.

Vereeniging voor den Katienhandel te Rotterdam:

Mr. I. J. Kalmon.
Mr. J. J. H. Commijs, secretary.

Federation of Master Cotton Spinners' Association (Ltd.) of England:

Mr. F. Holroyd, president.
Mr. Joseph Wild.

² The regulation cited is now published as Regulation No. 15 in Service and Regulatory Announcements No. 95. (Bureau of Agricultural Economics.)

It was agreed that the supplemental agreement should be amended to provide that hereafter instead of annual meetings in Washington there shall be a meeting on the second Monday in March every two years, beginning 1927. The provisions of the supplemental agreement were slightly modified and elaborated with respect to the handling of and comparisons with the reserve sets of copies of the universal standards. For technical legal reasons a few changes in the original agreement were likewise proposed and adopted.

At about the time of the London conference it was announced that two of the associations which had previously given notice of their intention to withdraw from the original agreement on August 1, 1925, had recalled those notices. The meeting itself was marked throughout by the most cordial cooperative spirit and the various propositions acted upon carried in each case by unanimous vote.

The original agreement and the supplemental agreement, with the few slight changes incorporated, are quoted in full below:

**AGREEMENT BETWEEN THE UNITED STATES DEPARTMENT OF AGRICULTURE
AND THE EUROPEAN COTTON ASSOCIATIONS AND EXCHANGES**

THIS AGREEMENT, made and entered into this ----- day of -----, 1925, by and between the UNITED STATES DEPARTMENT OF AGRICULTURE, hereinafter known as the department, and the LIVERPOOL COTTON ASSOCIATION, LIMITED, the MANCHESTER COTTON ASSOCIATION, LIMITED, SYNDICAT DU COMMERCE DES COTONS DU HAVRE, BREMER BAUMWOLLBÖRSE, ASSOCIAZIONE COTONIERA ITALIANA, MARCHE DE COTON A GAND, CENTRO ALGODONERO DE BARCELONA, VEREENIGING VOOR DEN KATOENHANDEL TE ROTTERDAM, and the FEDERATION OF MASTER COTTON SPINNERS' ASSOCIATIONS, LIMITED, OF ENGLAND, hereinafter known as the associations.

WITNESSETH that whereas on 12th June, 1923, the department and representatives of the American cotton industry proposed to delegates representing the European cotton industry that in case the European cotton associations adopted the official cotton standards of the United States for grade and color as universal standards the Secretary of Agriculture would take such action as might be necessary under section 4 of the United States cotton standards act to vest in the present and next succeeding (annually elected) members of the committees having final jurisdiction in the matter of appeals of the cotton associations of Liverpool, Manchester, Havre, and Bremen authority to determine finally the true classification as to grade and color, in accordance with said standards, of cotton of American growth exported from the United States; and

Whereas on 2nd July, 1923, the Liverpool Cotton Association, Limited, the Associazione Cotoniera Italiana, the Centro Algodonero de Barcelona, and the Vereeniging voor den Katoenhandel te Rotterdam, did adopt the official cotton standards of the United States for grade and color as universal standards; and

Whereas on 13th June, 1923, the Syndicat du Commerce des Cotons du Havre and the Marché de Coton à Gand did adopt the official cotton standards of the United States for grade and color as universal standards; and

Whereas on 22nd June, 1923, the Bremer Baumwollbörse did adopt the official cotton standards of the United States for grade and color as universal standards; and

Whereas on 2nd July, 1923, the Manchester Cotton Association, Limited, did adopt the official cotton standards of the United States for grade and color as universal standards; and

Whereas on 9th July, 1923, the Federation of Master Cotton Spinners' Associations, Limited, of England, did adopt the official cotton standards of the United States for grade and color as universal standards;

Now, therefore, in consideration of the mutual advantages to be derived herefrom, the department and the associations do covenant and agree as follows:

(1) That for the purpose of facilitating and promoting foreign commerce the official cotton standards of the United States for grade and color may be known also as Universal Standards for American Cotton.

(2) The associations agree to make the said universal standards the basis of all their contracts in which grades are specified for the purchase and sale of American cotton.

(3) The associations agree that the original standards shall be kept by the department at Washington, and that no practical forms or copies of the standards will be used except those prepared by the department.

The department agrees that during such time as this agreement shall remain in full force and effect it will make no change or revision of the standards for grade and color unless such change or revision has been considered in a meeting which the respective associations shall have been given full opportunity to attend. Whenever such meeting shall be held the voting power as represented by the total of one hundred (100) votes shall be distributed as follows: Fifty (50) votes to be cast by the representatives of the associations according to such apportionment as they may themselves have agreed upon, and fifty (50) votes to be cast by the United States. It is understood that unless any association gives written notice of the exact alterations it desires to have made, such association may exercise its voting power only if it sends its own duly authorized representatives to vote at such meeting and shall not be entitled to assign its proxy for voting to the representatives of any other association.

Upon a written request for a change or revision of the standards signed by an association or group of associations representing not less than fifteen (15) votes, the department agrees that it will notify the other associations of such a request and will call a meeting as nearly as possible thirty (30) days thereafter of all the associations to consider and decide upon the proposed changes or revisions. When any such change or revision shall have received the approval of not less than seventy-five (75) votes the department agrees that it will at once make such change or revision which shall be effective not less than twelve (12) months thereafter, and shall give notice at once of such change and its effective date to all the associations which have adopted such standards, whether represented at such meeting or not.

(4) The department agrees to appoint, from time to time, the members of the committees of the respective associations or exchanges having final jurisdiction in the matter of appeals as officers of the United States Department of Agriculture, who may be constituted as boards of cotton examiners. Such boards shall be authorized to determine by comparison with the universal standards or with types or other samples the classification of any cotton involved in a dispute which has been sold on a contract made subject to the articles, by-laws, and rules of the particular association or exchange by which the committee is elected or appointed, and to issue certificates showing such determinations. The department will provide by regulation that such determinations shall be final. When so provided in the articles, rules, or by-laws of the association or exchange such determinations may be evidenced by awards, but each association agrees that if an award is made which does not state the classification its committee will, upon request of the owner or custodian of the cotton and the payment of a reasonable additional fee, issue a certificate showing in detail the true classification for grade and color of such cotton, based upon a comparison of samples of the cotton with the universal standards or with a type or other samples on which the cotton has been sold, as the case may be. The boards so constituted may determine either or both the classification of cotton and its value. With respect to the classification of cotton this agreement determines their powers. Money valuation, however, is a conclusion separate and apart from technical classification, and with respect to money value the awards of the board of the association under whose terms the contract is made is final so far as the department is concerned.

Each association agrees to furnish the department a book containing its articles, by-laws, rules, and contracts, and to notify the department at once of any revisions or amendments of the same as soon as they are proposed, and when they have been acted upon. Each association further agrees to furnish to the department by cable the names of the members of its committee having final jurisdiction in the matter of appeals and their business addresses as soon as their election is announced, as provided in the by-laws of the association. Immediately thereafter the department shall make temporary appointments of such members of the association, and shall notify the association of its action at once by cable. Within a reasonable time thereafter the secretaries of the respective associations shall furnish in writing, on a form to be provided by the department, such information as may be necessary for the formal appointment by the department of the members of such committees, on receipt

of which the department shall make such appointments, and shall notify the members through the secretaries of the associations. Each association agrees to notify the department by cable of the death, resignation, suspension, or removal of any member of such committee, and immediately upon the election of his successor in accordance with the articles and by-laws of the association, the name of such successor. Thereafter the procedure of appointment by the department shall be the same as that prescribed in the case of ordinary elections or appointments.

(5) It is expressly understood that no agreement has been reached between the parties as to staple standards or staple determinations.

(6) This agreement shall continue in effect until terminated by the parties after due notice, as provided herein. Any party wishing to withdraw from the agreement may do so on the 1st day of August of any year by giving six months' prior notice in writing to the other parties. Such withdrawal, however, shall terminate the contract only with respect to the party giving notice and shall in no way affect the agreement as to the remaining parties.

SUPPLEMENTAL AGREEMENT A

RELATING TO UNIVERSAL STANDARDS FOR AMERICAN COTTON

THIS AGREEMENT made and entered into by and between the UNITED STATES DEPARTMENT OF AGRICULTURE, hereinafter known as the department, and the LIVERPOOL COTTON ASSOCIATION, LIMITED, the MANCHESTER COTTON ASSOCIATION, LIMITED, SYNDICAT DU COMMERCE DES COTONS AU HAVRE, BREMER BAUMWOLLBORSE, ASSOCIAZIONE COTONIERA ITALIANA, MARCHÉ DE COTON A GAND, CENTRO ALGODONERO DE BARCELONA, VEREENIGING VOOR DEN KATOENHANDEL TE ROTTERDAM, and the FEDERATION OF MASTER COTTON SPINNERS' ASSOCIATIONS, LIMITED, OF ENGLAND, hereinafter known as the associations.

WITNESSETH that whereas on various dates from August, 1923, to December, 1923, both inclusive, the department and associations entered into and executed an agreement relating to the use of universal standards for American cotton, which agreement is hereinafter referred to as the principal agreement;

Whereas in furtherance of the purposes of the principal agreement the parties hereto desire to make another agreement which shall be supplemental to the principal agreement, and shall be known as Supplemental Agreement A;

Whereas it is recognized that the department has invoked the best means known for the storage and preservation of the original universal standards, but that the physical appearance of the original samples of cotton constituting the universal standards may change in storage in spite of the greatest care with which and the most favorable conditions under which they may be stored, and that it is imperative to take this into account in the preparation of copies of the original standards, to the end that in so far as possible such copies may be faithful representations of the original universal standards as and when they were established; and

Whereas it is the purpose of the department and the associations to establish and maintain confidence in the integrity, comparability, and uniformity of copies of the original universal standards used by the department and the associations;

Now, therefore, it is agreed that there shall be a meeting of representatives of the parties that shall have signed this agreement at Washington every two years, beginning on the second Monday in March. The next meeting shall be held in 1927. At each such meeting each association that shall have signed this agreement may be represented by one or two persons who shall be experts qualified in the classification of American upland cotton. The United States may be represented by as many such experts as there are experts present representing European associations that shall have signed this agreement. At such meeting each association participating in accordance with this agreement shall have one vote, and the United States shall have the same number of votes as the total number of votes cast by the associations. No expert shall cast the vote of more than one association. Three-fourths of all the votes cast shall be required for any action. The expense incurred by the one or two experts representing each association for rail and ocean transportation to and from Washington for the purpose of attending such meeting shall be paid by the department.

Such meeting shall be for the sole purpose of examining and approving 40 sets of copies of the original universal standards as and when they were established, and such additional number as may be required as hereinafter provided, for the use of the United States and the associations during the two-year

period beginning on the 1st day of August next following their examination and approval. The tendency of the samples representing the original universal standards to change in physical appearance shall be taken into account by the experts in examining and approving the copies at such meeting, and they shall not depart from the original universal standards as and when they were established.

In case of slight change in the first reserve set or in the second reserve set, in the event the latter is substituted for the first reserve set, the conference shall have power to approve any slight variation from such official copies, with the sole object of producing copies of the original standards as and when they were established.

When such copies have been approved the cotton experts representing the United States and the associations shall sign a certificate showing their approval of such sets in the following form:

"We, the cotton experts assembled at Washington, beginning on the second Monday in March, 19—, pursuant to Supplementary Agreement A relating to the Universal Standards for American Cotton, certify that we have examined and hereby approve as true copies of the original Universal Standards for American Cotton as and when they were established sets Nos. — to —, both inclusive. This ----- day of -----, 19—."

Thereupon they shall submit the certificate to the Secretary of Agriculture of the United States with their recommendation that such copies be certified as provided by law. When so certified by the Secretary of Agriculture there shall be drawn by lot two sets of such copies which the department shall seal, set aside, and preserve in storage unopened until the next meeting. The first set drawn shall be recognized for the purposes of such meeting as the official representation of the original universal standards. The second set drawn shall be stored in a building separate from the one in which the first set is stored, and in case of damage to or destruction of the first set by fire or accident shall be substituted for the first set.

In case the conference is of the opinion when the first set is opened that any change has taken place in such set, they shall open the second set in order that the two may be compared and, if it is agreed at the conference, this second set may be considered the official representation of the original universal standards.

Of the remaining sets there shall be drawn by lot and furnished immediately to each association two sets of such copies gratis, and one additional set gratis to each association having a board of cotton examiners constituted as provided in the principal agreement. In addition to the sets thus furnished to any association it may purchase for its use additional approved sets; if in advance of such meeting it shall make written application therefor. If he deems it necessary for such purpose, the Secretary of Agriculture may increase the total number of sets to be approved by such meeting. The sets not required for the foregoing purposes shall be used by the United States as decided by the Secretary of Agriculture.

Each association shall devise means and be responsible for the proper custody, care, and preservation of the copies furnished to it. Each association shall reserve two of the sets furnished to it. The first set drawn by each association shall be known as reserve set No. 1, and the second set drawn shall be known as reserve set No. 2. Reserve set No. 2 shall not be used except for comparison with other sets, and reserve set No. 1 shall be used only for comparison with reserve set No. 2.

Its board of cotton examiners, constituted as provided in the principal agreement, may use the other sets as working sets in the practical prosecution of its official duties. Such board may make minor corrections from time to time if necessary to keep such working sets in accord with the reserved set. Each association shall recommend to the Secretary of Agriculture the condemnation and replacement of the reserved set or any part thereof whenever it ceases to represent truly the original universal standards, and the condemnation and replacement of any such working set or part thereof whenever minor corrections therein are insufficient to make it accord with the reserved set.

Nothing in this supplementary agreement shall be construed as allowing anyone, either representatives of the department or associations, to alter or replace during the period for which approved the sets of copies covered by this supplementary agreement, except as provided in this supplementary agreement.

This agreement is supplemental to the principal agreement and dependent thereon and coterminous therewith and is entered into for the purpose of facilitating the working of the principal agreement, and upon the termination of the principal agreement the provisions hereof shall cease to be operative. This agreement shall take effect as to each association on the date of its signature.

APPENDIX

UNITED STATES COTTON STANDARDS ACT

[Approved Mar. 4, 1923. 42 Stat. L., p. 1517]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this act shall be known by the short title of "United States cotton standards act."

SEC. 2. That it shall be unlawful (a) in or in connection with any transaction or shipment in commerce made after this act shall become effective, or (b) in any publication of a price or quotation determined in or in connection with any transaction or shipment in commerce after this act shall become effective, or (c) in any classification for the purposes of or in connection with a transaction or shipment in commerce after this act shall become effective, for any person to indicate for any cotton a grade or other class which is of or within the official cotton standards of the United States then in effect under this act by a name, description, or designation, or any system of names, description, or designation not used in said standards: *Provided*, That nothing herein shall prevent a transaction otherwise lawful by actual sample or on the basis of a private type which is used in good faith and not in evasion of or substitution for said standards.

SEC. 3. That the Secretary of Agriculture may, upon presentation of satisfactory evidence of competency, issue to any person a license to grade or otherwise classify cotton and to certificate the grade or other class thereof in accordance with the official cotton standards of the United States. Any such license may be suspended or revoked by the Secretary of Agriculture whenever he is satisfied, after reasonable opportunity afforded to the licensee for a hearing, that such licensee is incompetent or has knowingly or carelessly classified cotton improperly, or has violated any provision of this act or the regulations thereunder so far as the same may relate to him, or has used his license or allowed it to be used for any improper purpose. Pending investigation the Secretary of Agriculture, whenever he deems necessary, may suspend a license temporarily without a hearing.

SEC. 4. That any person who has custody of or a financial interest in any cotton may submit the same or samples thereof, drawn in accordance with the regulations of the Secretary of Agriculture, to such officer or officers of the Department of Agriculture, as may be designated for the purpose pursuant to the regulations of the Secretary of Agriculture for a determination of the true classification of such cotton or samples, including the comparison thereof, if requested, with types or other samples submitted for the purpose. The final certificate of the Department of Agriculture showing such determination shall be binding on officers of the United States and shall be accepted in the courts of the United States as prima facie evidence of the true classification or comparison of such cotton or samples when involved in any transaction or shipment in commerce. The Secretary of Agriculture shall fix rules and regulations for submitting samples of cotton for classification providing that all samples shall be numbered so that no one interested in the transaction involved shall be known by any classifier engaged in the classification of such cotton samples.

SEC. 5. That the Secretary of Agriculture may cause to be collected such charges as he may find to be reasonable for licenses issued to classifiers of cotton under section 3 and for determinations made under section 4 of this act, and the amounts so collected shall be used by the Secretary of Agriculture in paying expenses of the Department of Agriculture connected therewith.

SEC. 6. That the Secretary of Agriculture is authorized to establish from time to time standards for the classification of cotton by which its quality or value may be judged or determined for commercial purposes, which shall be known as the official cotton standards of the United States. Any such standard or change or replacement thereof shall become effective only on and after a date specified in the order of the Secretary of Agriculture establishing the same, which date shall be not less than one year after the date of such order: *Provided*, That the official cotton standards established, effective August 1, 1923, under the United States cotton futures act shall be at the same time the official cotton standards for the purpose of this act unless and until changed

or replaced under this act. Whenever any standard or change or replacement thereof shall become effective under this act, it shall also, when so specified in the order of the Secretary of Agriculture, become effective for the purposes of the United States cotton futures act and supersede any inconsistent standard established under said act. Whenever the official cotton standards of the United States established under this act shall be represented by practical forms the Department of Agriculture shall furnish copies thereof, upon request, to any person, and the cost thereof, as determined by the Secretary of Agriculture, shall be paid by the person making the request. The Secretary of Agriculture may cause such copies to be certified under the seal of the Department of Agriculture and may attach such conditions to the purchase and use thereof, including provision for the inspection, condemnation, and exchange thereof by duly authorized representatives of the Department of Agriculture, as he may find to be necessary to the proper application of the official cotton standards of the United States. Any moneys received from or in connection with the sale of cotton purchased for the preparation of such copies and condemned as unsuitable for such use or with the sale of such copies may be expended for the purchase of other cotton for such use.

SEC. 7. That in order to carry out the provisions of this act, the Secretary of Agriculture is authorized to cause the inspection, including the sampling, of any cotton involved in any transaction or shipment in commerce, wherever such cotton may be found, or of any cotton with respect to which a determination of the true classification is requested under section 4 of this act.

SEC. 8. That it shall be unlawful for any person (a) with intent to deceive or defraud, to make, receive, use, or have in his possession any simulate or counterfeit practical form or copy of any standard or part thereof established under this act; or (b) without the written authority of the Secretary of Agriculture, to make, alter, tamper with, or in any respect change any practical form or copy of any standard established under this act; or (c) to display or use any such practical form or copy after the Secretary of Agriculture shall have caused it to be condemned.

SEC. 9. That (a) any person who shall knowingly violate any provision of sections 2 or 8 of this act, or (b) any person licensed under this act who, for the purposes of or in connection with any transaction or shipment in commerce, shall knowingly classify cotton improperly, or shall knowingly falsify or forge any certificate of classification, or shall accept money or other consideration, either directly or indirectly, for any neglect or improper performance of duty as such licensee, or (c) any person who shall knowingly influence improperly or attempt to influence improperly any person licensed under this act in the performance of his duties as such licensee relating to any transaction or shipment in commerce, or (d) any person who shall forcibly assault, resist, impede, or interfere with or influence improperly or attempt to influence improperly any person employed under this act in the performance of his duties, shall, upon conviction thereof, be deemed guilty of a misdemeanor and shall be fined not exceeding \$1,000, or imprisoned not exceeding six months, or both, in the discretion of the court.

SEC. 10. That for the purposes of this act the Secretary of Agriculture shall cause to be promulgated such regulations, may cause such investigations, tests, demonstrations, and publications to be made, including the investigation and determination of some practical method whereby repeated and unnecessary sampling and classification of cotton may be avoided, and may cooperate with any department or agency of the Government, any State, Territory, District, or possession, or department, agency, or political subdivision thereof, or any person, as he shall find to be necessary.

SEC. 11. That wherever used in this act, (a) the word "person" imports the plural or the singular, as the case demands, and includes an individual, a partnership, a corporation, or two or more persons having a joint or common interest; (b) the word "commerce" means commerce between any State or the District of Columbia and any place outside thereof, or between points within the same State or the District of Columbia but through any place outside thereof, or within the District of Columbia; and (c) the word "cotton" means cotton of any variety produced within the continental United States, including linters. When construing and enforcing the provisions of this act, the act, omission, or failure of any agent, officer, or other person acting for or employed by any person, within the scope of his employment or office, shall in every case be deemed also the act, omission, or failure of such person as well as that of such agent, officer, or other person.

SEC. 12. That there are hereby authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, such sums as may be necessary for carrying out the provisions of this act; and the Secretary of Agriculture is authorized, within the limits of such appropriations, to appoint, remove, and fix the compensations of such officers and employees, not in conflict with existing law, and make such expenditures for rent outside the District of Columbia, printing, telegrams, telephones, law books, books of reference, periodicals, furniture, stationery, office equipment, travel, and other supplies and expenses as shall be necessary to the administration of this act in the District of Columbia and elsewhere.

SEC. 13. That if any provision of this act or the application thereof to any person or circumstances is held invalid, the validity of the remainder of the act and the application of such provision to other persons and circumstances shall not be affected thereby.

SEC. 14. That this act shall become effective on and after August 1, 1923.

Approved, March 4, 1923.

EXCERPT FROM THE ACT APPROVED FEBRUARY 10, 1925, MAKING APPROPRIATIONS FOR THE DEPARTMENT OF AGRICULTURE FOR THE FISCAL YEAR ENDING JUNE 30, 1926, AND FOR OTHER PURPOSES. (Public No. 390, 68th Congress)

To enable the Secretary of Agriculture to carry into effect the provisions of the United States cotton futures act, as amended March 4, 1919, and to carry into effect the provisions of the United States cotton standards act, approved March 4, 1923, including all expenses necessary for the purchase of equipment and supplies; for travel; for the employment of persons in the city of Washington and elsewhere; and for all other expenses, including rent outside of the District of Columbia, that may be necessary in executing the provisions of these acts, including such means as may be necessary for effectuating agreements heretofore or hereafter made with cotton associations, cotton exchanges, and other cotton organizations in foreign countries for the adoption, use, and observance of universal standards of cotton classification, for the arbitration or settlement of disputes with respect thereto, and for the preparation, distribution, inspection, and protection of the practical forms or copies thereof under such agreements, * * *

